



June 26, 1997

FROM: Northwest State Energy and Siting Agencies and Utility Commissions

TO: Randy Hardy,  
Administrator,  
[Bonneville Power Administration](#)

SUBJECT: Bonneville's Schedule for [IndeGO](#) Decision

#### Introduction

The undersigned greatly appreciate Bonneville's active involvement in the IndeGO work groups. We understand that Bonneville supports creation of an independent grid operator in the Northwest and is willing to provide an illustrative filing to the [Federal Energy Regulatory Commission \(FERC\)](#) as part of the IndeGO filing. However, Bonneville has not indicated when it will decide to begin the other proceedings that it would need to actually join IndeGO. We urge you to schedule this decision as soon as possible after the declaratory filing date, now scheduled for September 2, 1997. We urge Bonneville to publish a list of necessary changes to federal law for Bonneville to join IndeGO at that time. As soon as possible, Bonneville should publish a schedule for its decision to join IndeGO and any necessary administrative proceedings.

#### Discussion

The [Northwest Regional Review \(Review\)](#) recommendations, adopted by the Governors of the four Northwest states, call for the formation of a regional independent grid operator with the participation of all the transmission providers in the region. IndeGO meets the characteristics proposed under the Review recommendations, and Bonneville participation is essential. Compliance with the Review recommendations requires Bonneville's participation in IndeGO's formation.

We understand that Bonneville has not made a final decision on whether or not to join IndeGO. That is true of all signers of the Memorandum of Understanding. We seek a clear plan from Bonneville of how it will make that decision and a schedule of all necessary activities before and after the date of decision. This schedule should be designed with the earliest possible dates for the decision and for the ability to join IndeGO. We believe Bonneville will have all the information it needs to decide when the illustrative filing is made, now scheduled for September 2, 1997. Because Bonneville must conduct several processes to join IndeGO, it should begin them as soon as possible.

For Bonneville to join IndeGO two things must happen. Federal legislation is apparently needed and Bonneville must conclude several administrative proceedings. We understand that Bonneville believes it needs changes in federal legislation to join IndeGO. This includes changes to language in Section 208 of the Urgent Supplemental Appropriations Act of 1986. If Bonneville does not plan to seek such changes in 1997, we seek assurance that Bonneville will conduct the necessary administrative procedures concurrently with seeking legislative changes in 1998.

If Bonneville decides to join IndeGO, it will have several administrative proceedings in addition to the Federal Energy Regulatory Commission (FERC) filing. These will likely include a 7(i) process and issuing an EIS or a FONSI. Because these processes are lengthy, they should begin as soon as possible after the illustrative filing. We understand that Bonneville cannot guarantee the outcome of these processes, but that is no reason to delay beginning them.

We urge Bonneville's continued cooperation in the formation of IndeGO, as well as active participation in the IndeGO filing at the FERC. We are interested in working through any concerns Bonneville may have. We look forward to working with you and your staff to form IndeGO or a similar regional transmission operator.

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